



Quarter-Monthly Withholding Tax

Income tax withheld by your company falls within the provisions of Section 143.225, RSMo, which requires you to electronically submit Missouri withholding tax payments on a quarter-monthly basis. Quarter-Monthly periods are defined as:

1. The first seven days of the calendar month.
2. The 8th to the 15th day of the calendar month.
3. The 16th to the 22nd day of the calendar month.
4. The 23rd day to the end of the calendar month.

As a quarter-monthly filer, you are required to pay at least 90 percent of the actual tax due within three banking days following the end of the quarter-monthly period. If there is not a payroll during a quarter-monthly period, no quarter-monthly payment is necessary. Your monthly Employer's Return of Income Taxes Withheld (Form MO-941) reporting your actual withholding tax liability for the month is still due on the 15th of each month (or the next business day if the 15th falls on a weekend or holiday) following the month you collect the taxes, and at the end of the month following the third month of the quarter. Any additional tax due must be paid on or before the due date of the monthly tax return.

All employers subject to the requirement of quarter-monthly filing must file and pay employer withholding tax electronically.

ELECTRONIC PAYMENT OPTIONS FOR QUARTER-MONTHLY FILERS

Option 1: Withholding tax payments can be made using a **credit card or E-Check (Electronic Bank Draft)** online through the Missouri Department of Revenue's (department's) web site at www.dor.mo.gov/tax/. All valid withholding tax filers (with account in an open status) can use this system. From the web site www.dor.mo.gov/tax select "Pay Business Taxes Online" and follow the screens. The system will ask for your Missouri Tax ID Number, filing period, and the amount of payment. Other payment information will be needed such as name, address, credit card number, or bank routing and account number, etc. E-Check payments can be

scheduled up to 45 days in advance by choosing the effective date. Credit card payment will process within 2 to 3 working days. The postmark date of the transaction is the date the payment is effective. The monthly Form MO-941 reconciliation can be submitted using the online system after all Quarter-Monthly payments have been made for that month.

Option 2: Withholding tax payments can be made using the **Automated Clearing House Credit (ACH)** payment method. To make payments through your bank using this method, make arrangements with your financial institution or service provider to originate the transaction and pay the associated costs. You must work with your financial institution or service provider to ensure that the required "TXP" tax information is transmitted with the payment, and submit an Electronic Filing Trading Partner Agreement (Form 4572) prior to sending payments. The ACH file specification booklet (DOR-4585) and Form 4572 can be downloaded from the department's web site at www.dor.mo.gov/tax/electronic. When the department has received Form 4572 and a pre-notification test, you will be contacted to verify that the information is correct. The postmark date of the transaction is the Federal Reserve settlement date. Work with your financial institution or service provider to ensure payments are timely.

If you have any questions regarding electronic payment options, call (573) 751-8150.

Quarter-monthly filers MUST SUBMIT an Employer's Return of Income Taxes Withheld (Form MO-941), after making Quarter-Monthly Payments. Option 1 filers can choose to submit the reconciliation online or over the phone using the Telefile System at (888) 948-4653. Option 2 filers can only submit the reconciliation using the Telefile System at (888) 948-4653.

Because of the electronic filing requirement, paper returns and payment vouchers will no longer be available for quarter-monthly filers. Amended returns, however, must still be submitted by paper. Blank copies of amended returns are available at: <http://www.dor.mo.gov/tax/business/withhold/forms/>

2007 MO-941 (RECONCILIATION) DUE DATES

<u>REPORTING PERIOD</u>	<u>DUE DATE</u>
JAN 2007	FEB 15, 2007
FEB 2007	MAR 15, 2007
MAR 2007	APR 30, 2007
APR 2007	MAY 15, 2007
MAY 2007	JUN 15, 2007
JUN 2007	JUL 31, 2007
JUL 2007	AUG 15, 2007
AUG 2007	SEP 17, 2007
SEP 2007	OCT 31, 2007
OCT 2007	NOV 15, 2007
NOV 2007	DEC 17, 2007
DEC 2007	JAN 31, 2008

2007 QUARTER-MONTHLY WITHHOLDING PAYMENT DUE DATES

<u>FOR TAX PERIOD</u>	<u>PERIOD COVERED</u>	<u>DUE DATE</u>	<u>FOR TAX PERIOD</u>	<u>PERIOD COVERED</u>	<u>DUE DATE</u>
JAN 2007	JAN 01-07	JAN 10, 2007	JUL 2007	JUL 01-07	JUL 11, 2007
JAN 2007	JAN 08-15	JAN 18, 2007	JUL 2007	JUL 08-15	JUL 18, 2007
JAN 2007	JAN 16-22	JAN 25, 2007	JUL 2007	JUL 16-22	JUL 25, 2007
JAN 2007	JAN 23-31	FEB 05, 2007	JUL 2007	JUL 23-31	AUG 03, 2007
FEB 2007	FEB 01-07	FEB 13, 2007	AUG 2007	AUG 01-07	AUG 10, 2007
FEB 2007	FEB 08-15	FEB 21, 2007	AUG 2007	AUG 08-15	AUG 20, 2007
FEB 2007	FEB 16-22	FEB 27, 2007	AUG 2007	AUG 16-22	AUG 27, 2007
FEB 2007	FEB 23-28	MAR 05, 2007	AUG 2007	AUG 23-31	SEP 06, 2007
MAR 2007	MAR 01-07	MAR 12, 2007	SEP 2007	SEP 01-07	SEP 12, 2007
MAR 2007	MAR 08-15	MAR 20, 2007	SEP 2007	SEP 08-15	SEP 19, 2007
MAR 2007	MAR 16-22	MAR 27, 2007	SEP 2007	SEP 16-22	SEP 26, 2007
MAR 2007	MAR 23-31	APR 04, 2007	SEP 2007	SEP 23-30	OCT 03, 2007
APR 2007	APR 01-07	APR 11, 2007	OCT 2007	OCT 01-07	OCT 11, 2007
APR 2007	APR 08-15	APR 18, 2007	OCT 2007	OCT 08-15	OCT 18, 2007
APR 2007	APR 16-22	APR 25, 2007	OCT 2007	OCT 16-22	OCT 25, 2007
APR 2007	APR 23-30	MAY 03, 2007	OCT 2007	OCT 23-31	NOV 05, 2007
MAY 2007	MAY 01-07	MAY 10, 2007	NOV 2007	NOV 01-07	NOV 13, 2007
MAY 2007	MAY 08-15	MAY 18, 2007	NOV 2007	NOV 08-15	NOV 20, 2007
MAY 2007	MAY 16-22	MAY 25, 2007	NOV 2007	NOV 16-22	NOV 27, 2007
MAY 2007	MAY 23-31	JUN 05, 2007	NOV 2007	NOV 23-30	DEC 05, 2007
JUN 2007	JUN 01-07	JUN 12, 2007	DEC 2007	DEC 01-07	DEC 12, 2007
JUN 2007	JUN 08-15	JUN 20, 2007	DEC 2007	DEC 08-15	DEC 19, 2007
JUN 2007	JUN 16-22	JUN 27, 2007	DEC 2007	DEC 16-22	DEC 27, 2007
JUN 2007	JUN 23-30	JUL 05, 2007	DEC 2007	DEC 23-31	JAN 04, 2008

Quarter-Monthly Filing Examples

Example One: An employer has a semi-monthly payroll cycle that falls on January 15 and on January 31. The actual Missouri income tax withholding for the January 15 payroll is \$14,000. The employer remits 90 percent of the \$14,000 (\$12,600) by the due date for the second quarter-monthly period. The actual Missouri income tax withholding for the second payroll is \$16,000. The employer remits 90 percent of the \$16,000 (\$14,400) by the due date for the fourth quarter-monthly period. Because the employer did not have a payroll during the first or third quarter-monthly periods, no payments must be made for those periods. The employer must make a reconciling payment of \$3,000 (\$30,000 due minus \$27,000 already paid) with the monthly return.

Example Two: An employer has only one monthly payroll period and it falls on January 20. The actual Missouri income tax withholding for the January 20 payroll is \$18,000. The employer remits the entire \$18,000 by the due date for the third quarter-monthly period. Because the employer did not have a payroll during the first, second, or fourth quarter-monthly periods, no payments must be made for those periods. The employer files the monthly return by the due date and does not need to make a reconciling payment.

If you have any questions or need additional help, please contact us at:

Missouri Department of Revenue

P. O. Box 3375

Jefferson City, MO 65105-3375.

Or e-mail us at: **withholding@dor.mo.gov**

Or fax us at: **(573) 522-1721**

Or call us at: **(573) 751-7200**